

KIRBY McINERNEY & SQUIRE LLP  
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New York, NY 10022  
212-371-6600

Additional counsel listed below

Attorneys for the New Mexico Funds

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

STEVE MACRINA, Individually and on Behalf of )  
All Others Similarly Situated, )  
  )  
   )  
Plaintiffs,    )  
   ) Case No. 07-cv-04108 (JGK)  
vs.   )  
   )  
J. ROGER MOYER, JR., THOMAS DAUTRICH )  
GEORGE W. GRANER, EQUIPMENT FINANCE,)  
LLC, BANK OF LANCASTER, N.A.                )  
   )  
Defendants    )  
   )  
-and-    )  
   )  
   )

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*additional captions continued on following pages*

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**DECLARATION OF IRA M. PRESS**

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)  
BRIAN JOHNSON, Individually and on Behalf of )  
All Others Similarly Situated )  
  )  
  Plaintiffs, )  
  )  
  vs. )  
  )  
STERLING FINANCIAL CORPORATION, )  
J. ROGER MOYER, JR., J. BRADLEY SCOVILL )  
TITO L. LIMA )  
  )  
  Defendants )  
  )  
-and- )  
  )  
  )  
  )  
  )  
CASTLE STRATEGIC TRADING, INC., )  
Individually and on Behalf of all others Similarly )  
Situated )  
  Plaintiffs )  
  )  
  )  
  )  
  )  
  vs. )  
  )  
J. ROGER MOYER, JR., THOMAS DAUTRICH, )  
GEORGE W. GRANER, EQUIPMENT FINANCE,)  
LLC, BANK OF LANCASTER, N.A. )  
  )  
  Defendants )  
  )  
-and- )  
  )  
  )  
  )  
JEFFREY M. COOLEY, Individually and on )  
Behalf of All Others Similarly Situated )  
  )  
  Plaintiffs )  
  )  
  vs. )  
  )

Case No. 07-cv-04652 (JGK)

Case No. 07-cv-05594 (JGK)

Case No. 07-cv-05671 (JGK)

)  
STERLING FINANCIAL CORPORATION, )  
JR. J. ROGER MOYER, J. BRADLEY SCOVILL, )  
TITO L. LIMA )  
Defendants )  
)

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IRA M. PRESS, under penalties of perjury, hereby declares:

1. I am a lawyer with the law firm of Kirby McInerney & Squire, LLP, Liaison Counsel to the Proposed Lead Plaintiff, the Public Employees Retirement Association of New Mexico and the State of New Mexico Educational Retirement Board (collectively the "New Mexico Funds"). I submit this Declaration in support of the New Mexico Funds Motion for Appointment As Lead Plaintiff, Approval of Selection of Lead and Liaison Counsel, and Consolidation of Related Cases.

2. Attached hereto as Exhibit 1 is a true and accurate copy of the declaration of Gary King, Attorney General for the State of New Mexico.

3. Attached hereto as Exhibit 2 is a true and accurate copy of the New Mexico Funds' certifications and loss charts presenting the New Mexico Funds transactions in the subject securities and summarizing the New Mexico Funds total estimated losses of \$1,274,881.83.

4. Attached hereto as Exhibit 3 is a true and accurate copy of charts representing the New Mexico Funds transactions in the subject security.

Dated: August 7, 2007

s/ Ira Press  
Ira M. Press

# EXHIBIT 1

**DECLARATION OF GARY KING**

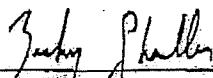
GARY KING, pursuant to 28 U.S. C. §1746, declares as follows:

1. I am a member of the Bar of the State of New Mexico and am the duly elected Attorney General for the State of New Mexico. I respectfully submit this declaration in further support of the application of the Public Employees Retirement Association of New Mexico ("PERA") and the New Mexico Educational Retirement Board ("ERB") (collectively the "New Mexico Funds") to be appointed Co-Lead Plaintiff in this Action pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA"). I am familiar with the facts set forth herein.

2. On July 24, 2007, I submitted a certification and declaration in support of the motion for appointment as lead plaintiff, approval of selection of counsel and consolidation of related actions filed by the PERA and ERB. In this motion, the New Mexico Funds calculated their damages to be \$1,274,881.83. Upon further analysis and discussions with the New Mexico Funds' custodial bank, we have determined the New Mexico Funds suffered an even greater loss of \$1,388,236.82. Since our initial filing, we learned that the New Mexico Funds engaged in more trading in the stock of Sterling, Inc. than originally reported. Therefore, I am filing an amended certification and this declaration in further support of the New Mexico Funds motion for appointment as lead plaintiff, approval of their selection of counsel and consolidation of the related cases.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 7th day of August 2007.

Dated: August 7th 2007.

  
\_\_\_\_\_  
Gary King, Attorney General for the  
State of New Mexico  
By: Assistant Attorney General Zachary Shandler

# **EXHIBIT 2**

**AMENDED CERTIFICATION OF PROPOSED LEAD PLAINTIFF  
PURSUANT TO FEDERAL SECURITIES LAWS**

THE PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO ("PERA") declares the following as to the claims asserted, or to be asserted, under the federal securities laws:

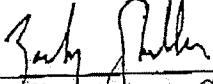
1. I, Gary King, am the Attorney General and chief legal officer for the State of New Mexico. I am statutorily authorized to represent the PERA in this litigation against Sterling Financial Corporation ("Sterling") and the other defendants. As chief legal officer for the state of New Mexico, I designate Cauley Bowman Carney & Williams, PLLC as counsel for the PERA in this action for all purposes.
2. I have reviewed the complaint against Sterling.
3. The PERA did not acquire Sterling stock at the direction of plaintiff's counsel or in order to participate in any private action under the federal securities laws.
4. The PERA is willing to serve as a lead plaintiff either individually or as part of a group. A lead plaintiff is a representative party who acts on behalf of other class members in directing the action, and whose duties may include testifying at deposition and trial.
5. The PERA will not accept any payment for serving as a representative party beyond its pro rata share of any recovery, except reasonable costs and expenses, such as lost wages and travel expenses, directly related to the class representation, as ordered or approved by the court pursuant to law.
6. The PERA has been appointed to serve as a representative party for a class in the following actions under the federal securities laws within the past three years: *In re BISYS Securities Litigation* and *St. Paul Travelers Securities Litigation*.
7. The PERA initially sought to serve as a representative party for a class in the following actions under the federal securities laws, but either withdrew its application or its application was denied in favor of other investors with more significant losses: *Royal Dutch/Shell Securities Litigation* and *In re Hansen Natural Corporation Securities Litigation*.
8. PERA understands that this is not a claim form, and that its ability to share in any recovery as a member of the class is unaffected by its decision to serve as a representative party.

9. The PERA's transactions in Sterling that are the subject to this action are set forth below:

No. of Shares	Buy/Sell	Date	Price Per Share
See attached schedule			

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 7<sup>th</sup> day of August, 2007.

  
\_\_\_\_\_  
Gary King, Attorney General for the  
State of New Mexico  
By: Zachary Shandler, Assistant Attorney General

**New Mexico PERA**  
**Sterling Financial Corporation (NYSE:SLFI) Transaction Details**

Shares Bought			Shares Sold		
Date	# of Shares	Price	Date	# of Shares	Price
8/8/2006	13,700	\$21.4880	6/25/2004	2,300	\$24.4270
8/9/2006	8,600	\$21.7450	4/20/2007	2,020	\$21.5846
8/23/2006	10,700	\$21.7800	5/25/2007	13,000	\$10.0483
9/8/2006	1,400	\$21.4899	5/25/2007	26,290	\$10.0000
9/11/2006	1,500	\$21.5188	5/29/2007	7,210	\$10.1614
9/12/2006	200	\$21.6550	5/30/2007	2,230	\$9.9332
9/13/2006	600	\$21.8000	5/31/2007	13,660	\$9.8208
9/15/2006	700	\$22.0000			
9/18/2006	400	\$22.0000			
9/29/2006	6,600	\$21.9800			
11/28/2006	3,840	\$22.6990			
12/1/2006	180	\$22.4400			
12/7/2006	5,340	\$23.2260			
12/8/2006	3,120	\$23.2810			
2/28/2007	3,720	\$21.4960			
3/1/2007	110	\$21.5249			
3/5/2007	3,700	\$21.5313			
6/24/2005	3,800	\$21.0770			

**AMENDED CERTIFICATION OF PROPOSED LEAD PLAINTIFF  
PURSUANT TO FEDERAL SECURITIES LAWS**

NEW MEXICO EDUCATIONAL RETIREMENT BOARD ("ERB") declares the following as to the claims asserted, or to be asserted, under the federal securities laws:

1. I, Gary King, am the Attorney General and chief legal officer for the State of New Mexico. I am statutorily authorized to represent the ERB in this litigation against Sterling Financial Corporation ("Sterling") and the other defendants. As chief legal officer for the state of New Mexico, I designate Cauley Bowman Carney & Williams, PLLC as counsel for the ERB in this action for all purposes.
2. I have reviewed the complaint against Sterling.
3. The ERB did not acquire Sterling stock at the direction of plaintiff's counsel or in order to participate in any private action under the federal securities laws.
4. The ERB is willing to serve as a lead plaintiff either individually or as part of a group. A lead plaintiff is a representative party who acts on behalf of other class members in directing the action, and whose duties may include testifying at deposition and trial.
5. The ERB will not accept any payment for serving as a representative party beyond its pro rata share of any recovery, except reasonable costs and expenses, such as lost wages and travel expenses, directly related to the class representation, as ordered or approved by the court pursuant to law.
6. The ERB has been appointed to serve as a representative party for a class in the following actions under the federal securities laws within the past three years: *In re BISYS Securities Litigation*, *HealthSouth Securities Litigation*, and *St. Paul Travelers Securities Litigation*.
7. The ERB initially sought to serve as a representative party for a class in the following actions under the federal securities laws, but either withdrew its application or its application was denied in favor of other investors with more significant losses: *Royal Dutch/Shell Securities Litigation*.
8. ERB understands that this is not a claim form, and that its ability to share in any recovery as a member of the class is unaffected by its decision to serve as a representative party.



9. The ERB's transactions in Sterling that are the subject to this action are set forth below:

No. of Shares	Buy/Sell	Date	Price Per Share
e attached schedule			

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 7<sup>th</sup> day of August, 2007.



Gary King, Attorney General for the

State of New Mexico

By: Zachary Shandler, Assistant Attorney General

**New Mexico ERB**  
**Sterling Financial Corporation (NYSE:SLFI) Transaction Details**

Shares Bought			Shares Sold		
Date	# of Shares	Price	Date	# of Shares	Price
5/16/2006	2,000	\$20.7010	4/20/2007	2,200	\$21.5846
5/17/2006	2,300	\$20.6679	5/25/2007	10,790	\$10.0483
5/18/2006	600	\$20.7929	5/25/2007	23,900	\$10.0000
5/19/2006	200	\$20.7790	5/29/2007	5,980	\$10.1814
5/22/2006	800	\$20.8000	5/30/2007	1,850	\$9.9332
5/25/2006	3,000	\$21.4950	5/31/2007	11,340	\$9.8208
5/30/2006	7,900	\$21.4200			
6/15/2006	2,200	\$21.2800			
6/16/2006	6,200	\$21.2180			
6/23/2006	6,300	\$21.0320			
7/26/2006	8,200	\$22.0040			
8/10/2006	200	\$21.5500			
8/11/2006	2,800	\$21.5410			
8/14/2006	1,100	\$21.5500			
8/16/2006	1,300	\$21.9420			
8/17/2006	400	\$21.9439			
12/19/2006	1,800	\$23.0450			
12/28/2006	2,900	\$23.7500			
12/29/2006	4,000	\$23.7430			
3/29/2007	1800	22.1257			

# EXHIBIT 3

Sterling Financial Corp NMERB Damages Updated

shares held 90 days  
after the class period

810 8243

Class Period: 04/27/2004 - 05/24/2007 Avg closing price: 05/25/07 - 07/18/07 (90 Day Max = 08/22/07)

**Sterling Financial Corp NM PERA Damages Updated**

		Avg. closing price for shares held 90 days after the class period:		\$10,6213		Class Period: 04/27/2004 - 05/24/2007		Avg closing price: 05/25/07 - 07/23/07 (90 Day Max = 09/22/07)	
Account No.	Account Name	Date	# of Shares	\$ Per Share	Date	# of Shares	\$ Per Share	Total Gain/Loss	
NM2622712	*NM PERA - ROTHSCHILD -SL	8/8/2005	13,700	\$21,4880				(\$294,385.60)	
NM2622712	*NM PERA - ROTHSCHILD -SL	8/9/2005	8,600	\$21,7450				(\$187,307.00)	
NM2622712	*NM PERA - ROTHSCHILD -SL	8/23/2005	10,700	\$21,7800				(\$231,046.00)	
NM2622712	*NM PERA - ROTHSCHILD -SL	9/8/2006	1,400	\$21,4899				(\$30,085.86)	
NM2622712	*NM PERA - ROTHSCHILD -SL	9/11/2006	1,500	\$21,5189				(\$32,278.35)	
NM2622712	*NM PERA - ROTHSCHILD -SL	9/12/2006	200	\$21,6550				(\$4,331.00)	
NM2622712	*NM PERA - ROTHSCHILD -SL	9/13/2006	600	\$21,8000				(\$13,080.00)	
NM2622712	*NM PERA - ROTHSCHILD -SL	9/15/2006	700	\$22,0000				(\$15,400.00)	
NM2622712	*NM PERA - ROTHSCHILD -SL	9/18/2006	400	\$22,0000				(\$8,800.00)	
NM2622712	*NM PERA - ROTHSCHILD -SL	9/29/2006	6,600	\$21,9800				(\$45,068.00)	
NM2622712	*NM PERA - ROTHSCHILD -SL	11/28/2006	3,840	\$22,6980				(\$87,164.16)	
NM2622712	*NM PERA - ROTHSCHILD -SL	12/17/2006	160	\$22,4400				(\$4,039.20)	
NM2622712	*NM PERA - ROTHSCHILD -SL	12/7/2006	5,340	\$23,2280				(\$24,026.84)	
NM2622712	*NM PERA - ROTHSCHILD -SL	12/8/2008	3,120	\$23,2010				(\$7,638.72)	
NM2622712	*NM PERA - ROTHSCHILD -SL	2/28/2007	3,720	\$21,4960				(\$79,965.12)	
NM2622712	*NM PERA - ROTHSCHILD -SL	3/1/2007	110	\$21,5249				(\$2,367.74)	
NM2622712	*NM PERA - ROTHSCHILD -SL	3/6/2007	3,700	\$21,5333				(\$79,666.81)	
NM2622712	*NM PERA - ROTHSCHILD -SL				4/20/2007	2,020	\$21,5846	\$43,600.83	
NM2622712	*NM PERA - ROTHSCHILD -SL				5/25/2007	13,000	\$10,0483	\$130,628.49	
NM2622712	*NM PERA - ROTHSCHILD -SL				5/25/2007	26,290	\$10,0000	\$262,901.21	
NM2622712	*NM PERA - ROTHSCHILD -SL				5/29/2007	7,210	\$10,1614	\$73,264.01	
NM2622712	*NM PERA - ROTHSCHILD -SL				5/30/2007	2,230	\$9,9332	\$22,151.13	
NM2622712	*NM PERA - ROTHSCHILD -SL				5/31/2007	13,660	\$9,8208	\$134,152.78	
NM2622718	*NM PERA STATE ST RUSSELL -SL				6/25/2004	2,300	\$24,4270	\$56,182.10	
NM2622719	*NM PERA STATE ST RUSSELL -SL				Held	1,600	\$10,8213	\$16,231.95	
								\$0.00	
								\$0.00	
								\$0.00	
								\$0.00	
								(\$754,327.50)	
<b>TOTALS</b>			<b>68,210</b>			<b>68,210</b>			